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deputy presidents of the German Economic Commission (DWK), was upbraided by Walter Ulbricht at a meeting of the Central Secretariat of the SED. Ulbricht, at the instigation of Heinrich Rau, President of the DWK, blamed Selbmann for the following:

- a. The People's Combines were operating at a loss, and instead of correcting this Selbmann was merely trying to cloak the production losses by obtaining control of the trade outlets.
- b. Selbmann had introduced the incentive wage system into firms which were not adapted to the system, and had brought this SED-sponsored movement into disrepute.
- c. Selbmann had allowed the Hennecke movement to be introduced indiscriminately, some times using up a month's supply of raw material in a few highly productive shifts, thus harming the whole Hennecke system.
- 2. Selbmann acknowledged that he was to blame in the two latter complaints, but refused to accept any blame in the first instance, saying that the fault lay with Bruno Leuschner, head of the Central Administration of Economic Planning. He stated that the requirements and the planned supply for the two-year plan conflicted and that the import plan was not coordinated, and that the entire Central Administration of Economic Planning was operating without any system whatsoever.
- 3. The Central Secretariat of the SED investigated these accusations, and found them to be justified. It is believed that Bruno Leuschner will be replaced and that Fritz Selbmann's position is still rather precarious. The Central Administration of Economic Planning is to be replaced by a section for coordinated planning directly under Heinrich Rau. Scholz (fnu), formerly in the Brandenburg Administration and now in the Central Administration of Economic Planning may be appointed as head of this new section.

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